



USDA Foreign Agricultural Service

# GAIN Report

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## Mexico

### Livestock and Products

## Mexico Initiates Antidumping Investigation on U.S. Pork Meat

2003

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#### Report Highlights:

The Mexican government has officially announced initiation of an investigation on dumping charges filed by the Mexican Pork Council (CMP) against importers and exporters of U.S. pork meat classified in tariff codes 0203.11.01, 0203.12.01, 0203.19.99, 0203.21.01, 0203.22.01 and 0203.29.99. Please note the 30 working day comment period.

Includes PSD Changes: No  
Includes Trade Matrix: No  
Unscheduled Report  
Mexico [MX1], [MX]

Introduction: This report summarizes a published in Mexico's "*Diario Oficial*" (Federal Register) on January 7, 2003.

Disclaimer: This summary is based on a *cursory* review of the subject announcement and therefore should not, under any circumstances, be viewed as a definitive reading of the resolution in question, or of its implications for U.S. agricultural export trade interests. In the event of a discrepancy or discrepancies between this summary and the complete resolution or announcement as published in Spanish, the latter shall prevail.

FAS/Mexico's Executive Summary: The Secretariat of Economy (SE) announced on January 7, 2003, in Mexico's "*Diario Oficial*" ("Federal Register"), the initiation of an official antidumping investigation against U.S. pork meat classified in tariff codes 0203.11.01, 0203.12.01, 0203.19.99, 0203.21.01, 0203.22.01 and 0203.29.99. The investigation is in response to a petition submitted by the Mexican Pork Council (CMP). The official announcement did not include the immediate imposition of countervailing duties. Mexico's Foreign Trade Law allows for the imposition of countervailing duties prior to the completion of a preliminary findings report, and the imposition of compensatory duties following the initial findings and prior to the final resolution. At issue is U.S. production and market prices for pork meat. Exporters, importers and other interested parties have thirty working days from the publication date of this official announcement, to respond to questionnaires from SE.

(FAS/Mexico Note: Historically, the timetable for the investigation, determination and final ruling on dumping cases in Mexico is relatively short. Respondents will have 30 working days from the date of publication to respond to questionnaires issued by SE. Failure to provide and return the information required to SE would be looked upon as a de facto guilty plea and would likely result in the establishment of large dumping margins.  
End Note)

Title: "Resolution to accept the petition on behalf of the interested party and declare the initiation of an antidumping investigation on imports of pork meat, merchandise classified in tariff codes 0203.11.01, 0203.12.01, 0203.19.99, 0203.21.01, 0203.22.01 and 0203.29.99 of the General Import Tax Law, originating in the United States of America, independently of their country of origin".

Type of Resolution: Initial investigation on antidumping claims.

#### Important Dates

1. Publication Date: January 7, 2003.
2. Effective Date: January 8, 2003
3. Start of Public Comment Period: Initial SECOFI questionnaires must be submitted within 30 working days from publication date of this official announcement.
4. End of Public Comment Period: Final statements must be submitted by, 14:00 hours February 19, 2003.
5. Announcement of preliminary findings: 130 days from January 8, 2003.

Products Affected: Pork meat, merchandise classified in tariff codes 0203.11.01, 0203.12.01, 0203.19.99, 0203.21.01, 0203.22.01 and 0203.29.99.

Agency in Charge: The Secretariat of Economy (SE), International Commercial Practices Unit

Summary of the Resolution's Important Provisions:

Imports of pork meat from the United States of America have allegedly come into the Mexican market at prices significantly below the cost of production. At issue are U.S. market prices for pork meat. While these products have lower value in the U.S. market, in the Mexican market these products have a high demand.

CMP claim that exporters and importers of selected U.S. pork meat, particularly hams and shoulders, practiced price discrimination from April 1, to September 30, 2002. CMP identified ten Mexican importers and eight U.S. exporters as responsible parties. The main issue in the dumping case is the definition of U.S. market prices for pork meat, whose demand is limited in the U.S. market.

CMP is concerned that increased Mexican imports of U.S. product will cause increasing damage to the domestic industry. They claim that discriminatory pricing practices have resulted in lower priced imports of pork meat.

A full translation of the official announcement will soon be available from FAS/Mexico and USDA/FAS in Washington, D.C.

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Internet Connections

*FAS Mexico Web Site:* We are available at <http://www.atomexico.gob.mx> or visit our headquarter's home page at <http://www.fas.usda.gov> for a complete selection of FAS' worldwide agricultural reporting.

*Useful Mexican Web Sites:* Mexico's equivalent of the Department of Agriculture (SAGARPA) can be found at [www.sagar.gob.mx](http://www.sagar.gob.mx) and Mexico's equivalent of the Department of Commerce (SE) can be found at [www.secofi.gob.mx](http://www.secofi.gob.mx) These web sites are mentioned for the readers' convenience but USDA does NOT in any way endorse, guarantee the accuracy of, or necessarily concur with the information contained on the mentioned sites.